Financial Position of LIC

907. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have asked for a report from LIC on its financial position;

(b) if so, the need for such a report;

(c) whether the Corporation is falling short of the capital norms and the solvency requirements;

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No Sir.

(b) Does not arise.

(c) and (d) According to the Insurance Regulatory and Development Authority (IRDA) (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 which have become applicable of LIC *w.e.f.* 1.4.2001, the IRDA has asked LIC to fulfill the Solvency Margin requirement. Since the Solvency Margin requirement has arisen for the first time, on the request of LIC, IRDA has provided 3 years transition period to fulfill the same.

Loan to Jharkhand

†908. SHRI ABHAY KANT PRASAD: Will the Minister of FINANCE be pleased to state:

(a) the schemes for which loan was sought by the Government of Jharkhand during the last two years, together with the amount of loan sought;

(b) the amount of loans sanctioned to the State Government during the said period;

(c) whether the loan sanctioned was insufficient as compared to its demand; and

†Original notice of the question was received in Hindi.

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) As per information received from Government of Jharkhand, the Government of Jharkhand has not sought loan for any scheme during the last two years.

(b) to (d) Do not arise.

Refund of Income Tax

909. SHRI RAJU PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Income Tax Department will continue to pay eight per cent interest on refund of income tax during this fiscal year;

(b) if so, the details thereof; and

(c) whether the Income tax Department proposes to refund the excess amount within reasonable time and if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The Government rationalizes the provisions of Law, including the provisions relating to Interest payable or chargeable, as considered necessary from time to time.

(b) Does not arise in view of reply to para (a) above.

(c) The Income Tax Department proposes to issue Refunds within a period of four months from the date of filing of the Return.

Regulation of Foreign Companies

910. SHRI C.P.THIRUNAVUKKARASU: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to enact legal framework to regulate foreign-owned entities to keep check on surrogate auditing in the country;

(b) if so, the details thereof;

(C) whether the ICAI has been approached to suggest appropriate ways to keep check upon them;